



United States
Department of
Agriculture

Office of the
Chief Financial
Officer

Associate Chief
Financial Officer -
Financial Operations

Washington D.C.
20250

Bulletin: OCFO 06-04

Date: August 1, 2006

Subject: Internal Controls Over Balanced Vouchers in the Foundation Financial Information System (FFIS)

To: FFIS Agencies

PURPOSE

The purpose of this bulletin is to provide guidance for proper internal controls over direct-entered BV and B2 documents. These documents are Standard Voucher (SV) clones, which record “balanced” transactions in the Foundation Financial Information System (FFIS) and should be defined on the Transaction Category Reference Table (TCAT) with a “Y” in the “Balanced SV Required” field.

BACKGROUND

Balanced Voucher transactions use pre-established general ledger posting models that are coded at a detailed accounting level. These transactions are processed as zero balance adjustments and therefore must have a header total of \$0.00. At a minimum, the documents would contain two lines. The first line would be decreasing an amount for a specified accounting strip element and the second line would be increasing the amount for a specified accounting strip element. Agencies use BV and B2 documents to correct previously accepted transactions that were coded with an improper accounting element (i.e., wrong Budget Object Code, Fund, etc.), but cannot be modified because the original transaction has already been paid or collected.

RESPONSIBILITIES

Agencies are responsible for the quality and integrity of the financial data in FFIS. Numerous online capabilities, as well as report generation features through the baseline application and the Financial Data Warehouse (FDW), support agency monitoring of financial data.

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POLICY

Documentation

BV and B2 documents should only be used for zero balance adjustments. These documents will not require the same hardcopy adjustment form that is required for SV documents. However, agencies must still maintain supporting documentation for the adjustment. To accomplish this, a copy of the original transaction or a report displaying the transaction(s) must be attached to the B2 or BV document with an explanation why the adjustment is required. These items will serve as the supporting documentation for internal review and audit purposes.

Authorization

Direct-entered BV and B2 documents must have at least one level of on-line approval. The preparer will edit and place the document on hold so that the document will be stored on the Document Suspense File (SUSF). The designated approver will apply the on-line approval in the agency's application by entering an "A" in the document command. An offline approval by an agency CFO designee can be applied at the discretion of the agency. B2 or BV documents recorded via an interface can be loaded with "approvals on" upon acceptance of a documented and approved business process.

Security Model

All agency FFIS Security Administrators shall implement security models that limit access to BV and B2 documents and incorporate, at minimum, the level of approval discussed above.

INQUIRIES

Questions concerning this bulletin should be directed to Lynn Moaney at (202) 720-1553 or Douglas Cheney at (202) 720-1168.

EFFECTIVE DATE

This bulletin is effective August 1, 2006.

/s/

JOHN G. BREWER

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